

REMARKS

Summary of Office Action

Claims 1-17 were pending.

Claim 17 has been withdrawn from consideration as drawn toward a non-elected invention.

Claims 1-16 have been rejected under 35 U.S.C. § 103(a) as being obvious from Franklin et al. U.S. patent No. 6,000,832 (“Franklin”) in further view of Rosen U.S. patent No. 6,205,436 (“Rosen”).

The Examiner has also noted informalities in the previously submitted amendments to claims 1, 5 and 9.

Applicants’ Reply

Applicants have amended claims 1, 5 and 9 to address the informalities that were kindly noted by the Examiner. In particular, the claims in the listing beginning at page 2 of this paper are marked to show differences over the claims presented in the Reply dated June 22, 2005.

Applicants respectfully traverse the prior art rejections.

Applicant resubmit the Remarks presented in the Reply dated June 22, 2005, which is incorporated by reference herein. For brevity, the previously presented Remarks are not reproduced verbatim here, but applicants request the Examiner to kindly consider fully those Remarks.

Here, applicants again note that Franklin relates to the use of a “digital” card that can be used by a customer for online commerce over a public network. Franklin describes a temporary transaction number in which a code number replaces four digits designated for the customer account number in the 16 digits of a regular credit card number. The customer provides the temporary transaction number to the merchant as a proxy for a regular or conventional card number. The transaction number includes conventional “issuer identification” digits, which the merchant uses to submit the transaction number for approval over the public network to the issuing institution. The issuing institution recognizes the transaction number as a proxy and

retrieves the regular card number for processing. (See Franklin, Abstract, Summary of Invention, col. 2 line 1- col. 3 line 24, and FIGS. 1-7).

Applicants again further note that Rosen relates to a system for electronic commerce in which trusted agents/modules operate as proxies on behalf of customers and merchants. (See e.g., Rosen, Abstract, and FIGS. 1 and 13). Rosen provides the customer and merchant trusted agents (e.g., customer agent A and merchant agent B) with respective “trusted agent/money modules.” For purchases of electronic merchandise, an encrypted communication session is established between trusted agent A and trusted agent B. (See e.g., FIGS. 12A, 12 B, 13, 14 and 15, and col. 17 line 54- col. 18 line 65). Payment of merchandise transactions between the customer and merchant can be made anonymously (e.g., using respective money modules) by encrypted, but direct, communications between trusted agent A and trusted agent B. (See e.g., col. 19 line 52- col. 20 line 15).

Franklin and Rosen, even when viewed in combination, do not disclose the elements of applicants’ claims.

Claim 1

The elements of claim 1 include:

- (a) receiving by a service provider other than an issuer of the payment account a first authorization request for the authorization of a the transaction using a first payment account number, wherein:
 - (i) the first payment account number has a service provider identification number that is associated with the service provider other than the issuer and is associated with a second payment account number that has an issuer identification number associated with the issuer, said second payment account number not being included in said first authorization request;
 - (ii) ...
 - (iii) the first authorization request is routable through the payment network to the service provider based on said service provider identification number;
- (b) responsive to the first authorization request, transmitting by the service provider a second authorization request for authorization of the transaction using the second payment account number, the second authorization request including a second acquirer code

associated with the service provider and being routable through the payment network to the issuer based on said issuer identification number;

(c) receiving from the issuer a response to the second authorization request transmitted by the service provider, the response including the second acquirer code and being routable through the payment network based on that code; and

(d) transmitting from the service provider to the acquirer a response to the first authorization request received by the service provider based on the response to the second authorization request received by the service provider from the issuer, the response to the first authorization request including the first acquirer code and being routable through the payment network based on that code.

Franklin does not describe or suggest the foregoing elements of claim 1. Contrary to the assertion in the Office Action (page 2, lines 4-5), Franklin does not teach “about the use of two different payment account numbers” or a service provider’s involvement in transaction processing in the manner of applicants’ claim 1.

In particular, Franklin does not show “a first payment account number [that] has a service provider identification number that is associated with the service provider [and] a second payment account number that has an issuer identification number associated with the issuer, said second payment account number not being included in said first authorization request.”

Further, Franklin does not mention or suggest a service provider, an acquiring bank or any other intermediate entity, which sends a second authorization request that according to claim 1 has a “second identification number associated with the issuer” and “a second payment account number [that is] not [] included in the first authorization request.” Franklin only describes a single authorization request with a first and only transaction number from merchant to an issuing bank, which processes the request. (See e.g., col. 2 line 46- col. 3 line 6, col. 5 line 59- col. 6 line 22, etc.). Careful reading of Franklin’s description of an acquiring banks’ role (col. 11 line 39- 66) confirms that in Franklin the same transaction number is transmitted from merchant to issuer via the acquiring bank. Franklins’ acquiring bank merely validates and forwards the merchants’ authorization request to the issuing bank. There is no hint or suggestion in Franklin of using a “second payment account number” based “second authorization request” as required by claim 1.

Applicant further note that, like Franklin, Rosen also fails to disclose the foregoing elements of claim 1. Applicants respectfully submit that the Office Action mistakenly cites Rosen col. 17, line 52 -col. 18 line 67 as relevant. Careful reading of Rosen indicates that the cited portion of Rosen merely describes the operation of a buying transaction application (BTA) using trusted buying and selling agents A and B, respectively. (See Rosen col. 17, line 52 -col. 18 line 67 and FIGS. 12a-b). The BTA establishes communications between the buyer's trusted agent A and the merchant's trusted agent B to verify that the merchandise selected by the buyer is the correct merchandise made available by the merchant. (See Rosen col. 17 line 54- col. 18 line 5, and FIGS 12a-b). There is no description or suggestion in Rosen of first and second authorization requests including the special first and second payment account numbers in the manner of applicant's claim 1.

For at least the foregoing reasons, claim 1 and its dependent claims 2-4 are patentable over Franklin and Rosen even when the references are viewed in combination.

Claim 5

The elements of claim 5 include:

- (a) generating a message authentication code based on one or more transaction details;
- (b) transmitting at least the first payment account number and the message authentication code to the merchant;
- (c) requesting by the merchant an a first authorization request for payment of the transaction using the first payment account number, said second payment account number not being included in said first authorization request, the request being formatted as if payment were tendered at a point-of-sale terminal with a conventional magnetic-stripe payment card, the format having a track with at least a discretionary data field and said message authentication code being transmitted in said discretionary data field;
- (d) responsive to the authorization request for the first payment account number, requesting an authorization for payment of the transaction using the second payment account number; and

(e) accepting or declining the authorization request for the first payment account number based on the response to the authorization request for the second payment account number and the message authentication code, wherein said first and second payment account numbers include respective service provider and issuer identification numbers, wherein a service provider other than the issuer receives said merchant's request through a payment network based on said service provider identification number, and wherein said service provider generates said request for authorization of payment using the second payment account number and routes said request to said issuer through said network based on said issuer identification number.

Like claim 1, claim 5 requires 1 has a "second identification number" associated with "the issuer" and "a second payment account number that is not included in the first authorization request". As discussed above with respect to claim 1, these limitations are not shown by either Franklin or Rosen.

Claim 5 also requires "a message authentication code being transmitted in said discretionary data field" of a magnetic stripe data structure format. Applicants note that neither Franklin nor Rosen show, teach or suggest this limitation. Franklin's code is transmitted in the standard "customer account number" data fields and not in the discretionary data field as required by claim 5. (See e.g., Franklin FIGS. 5-6). Similarly, as previously noted, Rosen does not show, teach or suggest a message authentication code being transmitted in said discretionary data field" of a magnetic stripe data structure format.

For at least the foregoing reasons, claim 5 and its dependent claims 7-8 are patentable over Franklin and Rosen even when the references are viewed in combination.

Claims 9 and 14

Claim 9 and claims 14 describe additional features of applicants' methods for secure payment transactions. In particular, these claims require computer generation of a message or transaction authentication code, which is positioned in the discretionary data field of a standard payment card track image and then transmitted over the electronic payment network.

Applicants submit that neither Franklin nor Rosen show this feature of claims 9 and 14. Rosen does not describe any standard payment card track image. Franklin's customer computer embeds a code number in the reserved digits of the standard "customer account number" (e.g., a

standard 16 digit credit card number) to create a temporary transaction number. (See e.g., Franklin FIG. 5). However, Franklin does not show, teach or suggest positioning and transmitting the computer generated transaction/message authentication code in the discretionary data field of a standard payment card track image.

Applicants respectfully note that the Office Action (page 12 lines 1-5) mistakenly identifies Franklin col. 12 lines 1-25 as showing the claimed limitation. The cited portion is unrelated to placement of the authentication code in a standard track image. As noted above, Franklin describes the format of the code placement in the standard “customer account field” (See Franklin FIG. 5 and 6, col. 10 line 12- col. 11 line 8).

For at least this reason, claims 9 and 14 and their dependent claims 10-13 and 15-16, respectively, are patentable over the cited references.

Conclusion

In view of the foregoing remarks, favorable consideration and allowance of claims 1-16 are respectfully solicited. In the event that the application is not deemed in condition for allowance, the Examiner is requested to contact the undersigned in an effort to advance the prosecution of this application.

Respectfully submitted,

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